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Research News for the U.S. Travel Industry

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TRAVEL PRINTOUT

US Travel Data Center

April 1989 Volume 18, Number 4

U.S. Travel Up 4 Percent in 1988

Domestic travel increased 4 percent in 1988, reaching 1.23 billion person-trips, the fourth consecutive year of growth in the U.S. travel market.

However, while total travel rose in 1988, the number of nights spent away from home on trips dropped 4 percent -- a direct result of the continuing popularity of weekend and shorter vacation and pleasure travel. In fact, weekend and long weekend vacations increased nearly 11 percent last year.

Vacation travel, which rose more than 7 percent in 1988, enjoyed a banner year while accounting for 67 percent of total travel. In keeping with the overall trend toward shorter trips, the average duration of vacation trips dropped to 4.8 nights in 1988 compared to 5.7 nights in 1986 and 6.2 nights in 1983. Summer vacation travel posted exceptional growth over year-earlier levels, with July attracting the majority of vacationers for the second consecutive year.

1988 also brought some major shifts within the transportation sector. Personal motor vehicle travel (automobile, truck, or recreational vehicle) rose 7 percent in 1988, outpacing common carrier (air, bus, and rail) growth for the first time in six years. However, common carriers garnered 25 percent of all intercity passenger miles during 1988.

While nearly half of all domestic trips were taken by those aged 18 - 34, the 35 - 54 age group traveled nearly 9 percent more in 1988 than in the previous year. The 35 - 54 group, including the leading edge of the "baby boom," took 34 percent of all trips in the U.S., while the 55 and over group accounted for the remaining 18 percent of total travel.

The Northeast region of the country enjoyed a significant increase in visitors regionally, but attracted just 14 percent of all trips nationally. The Great Lakes and the Midwest regions drew 9 percent and 5 percent more travelers, respectively. Yet, the Southeast remained the most popular destination region, garnering one-quarter of all trips in 1988.

You can find these figures and other pertinent data in the **1988 Travel Executive Briefing**, a complete summary of the year's travel activity, and the **1988 Travel Market Close-Up**, a collection of data tabulations for more in-depth research. Together these reports detail the annual results of the Data Center's National Travel Survey.

To receive a copy of these reports, send $250 per set, or $135 if purchasing reports individually, to: US Travel Data Center, Two Lafayette Centre, 1133 21st Street, NW, Washington, D.C. 20036.

##

TravelTab Now Available

U.S. residents and foreign visitors spent $313 billion on travel in America in 1988, generating $302 billion in business receipts and $39 billion in taxes.

Travel spending directly supported more than 5.4 million jobs in the U.S. in 1988, generating nearly $70 billion in payroll income.

These estimates and other 1988 travel trends are contained in the Data Center's **1989 TravelTab**, a collection of important summary data (continued on page 4)

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1990 Travel Outlook Forum Agenda in the Works

"1990 -- Gateway to a Decade" will theme the US Travel Data Center's 1990 Travel Outlook Forum, co-sponsored by the Travel and Tourism Research Association, on October 3 at the Diplomat Hotel in Hollywood, Florida.

Forum speakers will focus on adjustments in the travel industry for the 1990s following a decade of mergers, acquisitions, and record performances.

Michael Durchin, managing director and airline analyst for Drexel Burnham Lambert Inc., will discuss the outlook for air travel at the forum.

Randy Smith, president of Smith Travel Research, will provide the 1990 lodging forecast on the outlook for hospitality panel.

William Johnston, vice president for special projects at the Hudson Institute, will present the Institute's Workforce 2000, a long range look at trends affecting work and workers in the late 20th century. For more information on the 1990 Travel Outlook Forum, contact the US Travel Data Center, 202/293-1040.

February Travel Prices Rise

February travel prices showed a sizeable increase, spurred mainly by a rise in lodging costs, according to the latest Travel Price Index (TPI) compiled by the Data Center.

The TPI, which measures changes in the seasonally unadjusted prices of lodging, food, transportation and other goods and services purchased by Americans traveling away from home in the U.S., reached 122.1 (1982 - 84 = 100) in February (see chart).

For comparison, overall goods and services costs in the U.S., as measured by the Consumer Price Index (CPI), increased slightly to 121.6 for the month.

The 3 percent rise in the cost of lodging while out of town in February was the second consecutive monthly increase following four months of decline.

Motor fuel costs and air fares rose, causing the overall cost of transportation to edge nearly 1 percent over the previous month. The costs of entertainment and food and beverages while traveling also showed increases, contributing to the overall increase in the February TPI.

The February TPI rose 4.6 percent over year-earlier levels, led by the 7 percent jump in air fares and other intercity public transportation. Entertainment costs rose 6 percent over February 1988, followed by a nearly 5 percent gain in the cost of food and beverages purchased while traveling. For comparison, the CPI rose 4.8 percent for the same period. ##

Travel Price Index and Components

TPI Component	Monthly % Change January 1989 to February 1989	Annual % Change February 1988 to February 1989
Transportation	0.8	4.5
Airline Fares	0.6	7.1
Other Intercity Trans.	0.2	6.8
Intracity Public Trans.	0.5	2.9
Motor Fuel	0.9	2.5
Lodging	3.0	4.2
Food and Beverages		
Away From Home	0.4	4.6
Entertainment	0.8	5.9
TRAVEL PRICE INDEX	1.2	4.6
CONSUMER PRICE INDEX	0.4	4.8

Source: US Travel Data Center and the U.S. Bureau of Labor Statistics

TEIM Update

The International Association of Convention and Visitor Bureaus (IACVB) is organizing a task force to work with the Data Center in updating and expanding the Travel Economic Impact Model (TEIM), the Data Center's statistical model which estimates the economic impact of travel on the nation's economy.

The IACVB task force will assist in identifying cities' research needs and relevant data sources to be included in the updated TEIM. With this input, the TEIM will be able to more accurately estimate the economic impact of travel at the local level in addition to its estimates of the effects of travel spending at the national and state level.

Other industry segments also have plans to join committees involved in the TEIM revision process. For more information about the TEIM, contact Dr. William Fleming at 202/293-1040.

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Travel Printout reports on Data Center Projects, national travel research conducted by other respected organizations, and trends in the U.S. travel industry. Subscriptions are $70 per year, U.S., Canada and Mexico; other foreign countries, $80 per year, payable in U.S. funds only. ISSN: 0744-6233.

Director's Notes

commentary by
Suzanne D. Cook, Ph.D.

As an aid to readers who may be relatively unfamiliar with the technical aspects of survey research, the following provide some basic guidelines for conducting and evaluating travel surveys.*

* * * * * *

American consumers are protected by laws that enable them to determine what they are buying. Those who conduct or use survey research need a similar set of standards to assess the value of results provided.

Surveys are most useful when conducted on a "scientific" basis -- according to rigorous standards of survey design, conduct, processing, and analysis.

The following items delineate the major principles of sound survey research.

1. **Sample size.** The total sample size should be noted, including both respondents and non-respondents. The larger the sample, the smaller the resulting sampling error (see number 10), all other items being equal. A smaller sampling error means the estimates are statistically more precise, but says nothing about biases introduced by other factors that could render the survey results meaningless.

2. **Population definition.** The larger population that the sample is designed to represent should be explicitly stated. This may be, for example, "all travelers to places 100 miles or more away from home," or "all U.S. households." Be careful to determine that the sample does indeed represent the defined population. A sample of highway information center visitors does not represent all auto travelers, although it is sometimes assumed that it does.

3. **Sample selection method.** Identify how the sample was drawn from the population. This might be every fourth visitor to a highway information center, or any number of approaches. Random or probability samples are judged by statisticians to be superior to non probability samples such as "judgmental" or "quota" samples. Without this information, it cannot be determined whether the sample actually does represent the defined population.

4. **Interview location.** Where an interview is conducted can also help determine if the sample represents the designated population. For example, interviewing selected visitors at a group of attractions does not necessarily typify all travelers visiting the area.

5. **Interview schedule.** Travel is a very seasonal activity. Interviews conducted during one season generally do not represent travel patterns for the year. Moreover, because a respondent's ability to recall an event diminishes with time, a survey conducted once a year of all trips in the past 12 months will provide less reliable results than a survey conducted monthly.

6. **Interview mode.** Respondents can be contacted for interview in person, by telephone, or by mail. Each interview mode has its own limitations. For exarnple, visuals cannot be used during a phone interview, interviewer bias may arise in the personal mode, and low response rates and reporting lags plague mail surveys.

7. **Response rate.** In general, the higher the response rate, the more representative the survey will be of the defined population. A response rate that falls below 80 percent is cause for concern. Those 20 percent or more who did not respond may differ considerably in behavior and attitudes from those who did, which is exactly what the survey is designed to determine.

8. **Non-response reduction procedures.** It is important to know what procedures were used to reduce the problem of non-response, including monetary and other incentives. Reasonable efforts should be made to obtain completed interviews from all members of the sample drawn.

9. **Interview form or questionnaire.** The actual questionnaire should be included with the presentation of the survey results. This allows better interpretation of responses since there are many ways to ask the same question. Look particularly for "leading" questions that provoke the respondent to answer in a certain way.
(continued on page 4)

10. **Sampling error.** Since a sample is, by definition, only a subset of the population, a measure of how closely the estimates produced by the survey of that sample represent the population is needed. For example, when surveying travelers, there should be an indicator of how accurately the resulting estimates represent the actual number of travelers and their percentage distribution by age, income, and other characteristics. The sampling error of a survey estimate indicates how much a sample's estimates of volume or distribution may differ from the actual value of the population from which it is drawn.

As with any product, certain information should be gathered before deciding whether and how to use survey research results. Few people would purchase a car without knowing its cost, size, efficiency, reliability, model, and past performance record. It would be equally foolish to accept survey results without knowing the sample size, design, methodology, response rate, reliability, questions, and producer.

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* Based on an article by Dr. Douglas C. Frechtling, former director of the Data Center.

Increased Vacationing Spurs January Travel Increase

January travel rose 6 percent over year-earlier levels, led by a significant increase in vacation trips, reported the results of the latest National Travel Survey (NTS).

The monthly telephone survey showed that Americans took nearly 80 million person-trips during January. (A person-trip measures one person traveling 100 miles or more away from home.)

The largest increases for January appeared in vacation travel, which increased 18 percent, and auto travel, which rose 11 percent over the previous year.

The January NTS also reports:

- Pleasure travel increased 4 percent,
- Weekend travel decreased 6 percent,
- Business travel stabilized, and
- Hotel/motel use remained constant.

Through national probability samples of 1,500 adults each month, the NTS results are projectable to the entire adult population of the contiguous United States. For further information about the National Travel Survey, contact Lenore Reid, manager of survey research, at 202/293-1040.

TravelTab (continued from page 1)

on travel designed as a quick reference guide when writing speeches, articles, and reports on travel.

Also included in **TravelTab**:

- Foreign arrivals to the U.S. grew 14 percent to nearly 34 million.
- Spending by foreign visitors in the U.S. reached $18 billion, a 25 percent increase over 1987.
- More than 41 million Americans spent $23 billion while visiting foreign countries in 1988, a 13 percent spending increase over 1987.
- Approximately $294 billion was spent on domestic travel in 1988. One-quarter, or $75 billion, was spent on food alone.

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Visitor Volume at National Parks

Region	JAN 1988 visits	% Change from JAN 1987*	% Change Yr-to-Date*
NEW ENGLAND	301,148	15	15
MIDDLE ATLANTIC	831,818	-9	-9
SOUTH ATLANTIC	4,123,704	25	25
EAST SOUTH CENT.	1,251,564	15	15
EAST NORTH CENT.	192,487	-12	-12
WEST NORTH CENT.	178,272	18	18
WEST SOUTH CENT.	440,709	28	28
MOUNTAIN	1,167,101	7	7
PACIFIC	2,693,726	12	12
TOTAL	11,180,529	14	14

* Percent changes may not be consistent with prior figures due to National Park Service revisions.

Discoveries...

An Ongoing Guide to Current Travel Research

● American Express World Travel News commissioned the **Psychology of Vacation Travel** survey, asking 1,000 adults nationwide to answer questions about their vacationing habits.

The study, which mainly covers vacation motivators and benefits, reveals:

- **The top ten reasons Americans go on vacation,** including " to be with family," "to be with spouse or companion," and "rest and relaxation."
- **Vacation travel is important to Americans.** More than 75 percent of the survey participants say that vacations are somewhat, very, or extremely important to them.

For further information about the "Psychology of Vacation Travel" survey, contact Jennifer Curtiss, American Express, 212/640-3216.

● A growing number of guests are using resort hotels for work, not play, according to a report by Laventhol & Horwath, **U.S. Resort Lodging Industry 1988.** Business travelers comprised 38.6 percent of the resort lodging market in 1987, a 25 percent increase from the previous year.

The report also discusses resort industry profits, occupancy rates, and room nights, the lodging industry's equivalent of inventory.

To receive a copy of the report, send $65 to Laventhol & Horwath, Leisure Time Industries Dept., 1845 Walnut St., Philadelphia, PA, 19103.

● The American Hotel & Motel Association (AH&MA) recently conducted survey focusing on the continually upgraded services offered by lodging properties. Compiled by Smith Travel Research, the survey was distributed to over 9,000 AH&MA member properties.

Highlights of the survey include:

- More than half of all respondents allow pets.
- Nearly two-thirds have handicap access.
- 61 percent offer no-smoking floors.

The survey's results are available for free by writing to the AH&MA Communications Department, 1201 New York Ave., Washington, D.C., 20005, or call 202/289-3133.

● **Innkeeping,** the national trade publication for owners and operators of bed & breakfast/country inn establishments, sponsored the **1988 Bed & Breakfast/Country Inn Industry Survey.** The survey's topics include profit and loss statements, occupancy analysis, pricing analysis, operating statistics, and marketing analysis.

To obtain a copy of the **1988 B & B/Country Inn Industry Survey**, send $125 to **Innkeeping** Study, 1333 Bath Street, Santa Barbara, California, 93101; or call 805/965-0707.

"Discoveries" is a **Travel Printout** feature designed to give added exposure to all types of travel-related research. To see your company's travel research projects in future editions of "Discoveries," send a brief description of the report, including price, address, and contact name, to **Travel Printout**, US Travel Data Center, 1133 21st Street, Washington, D.C., 20036. ##

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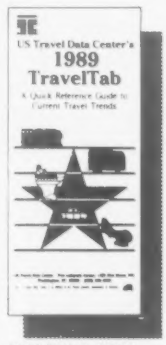

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States comprising the Census regions:
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **Middle Atlantic:** New Jersey, New York, Pennsylvania. **South Atlantic:** Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **East South Central:** Alabama, Kentucky, Mississippi, Tennessee. **East North Central:** Illinois, Indiana, Michigan, Ohio, Wisconsin. **West North Central:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **West South Central:** Arkansas, Louisiana, Oklahoma, Texas. **Mountain:** Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **Pacific:** Alaska, California, Hawaii, Oregon, Washington.

Current Travel Indicators

CURRENT TRAVEL INDICATORS 1989

	Current Month 1989	Current Value	Percent Change: Previous Month	Percent Change: Year-Ago Month	Percent Change: Year to Date
Establishments Receipts or Retail Sales					
Hotels, motels and other lodging places(1)	Jan	$ 4,252 million	29.4	9.5	9.5
Eating and Drinking Places(2)	Jan	13,983 million	1.2	11.4	11.4
Gasoline Service Stations(2)	Jan	9,194 million	1.0	5.0	5.0
Commercial Lodging Demand					
Hotel/Motel Occupancy Rates(3)	Jan	61.1 percent	-2.2	0.3	0.3
Real Demand for Commercial Lodging(4)	Jan	49.1 million	11.2	4.3	4.3
Airline Passenger Traffic(5)					
Domestic Revenue Passenger-Miles	Jan	24.1 billion	-5.0	2.9	2.9
International Revenue Passenger-Miles	Jan	7.2 billion	0.9	14.3	14.3
Highway Traffic Volume(6)					
Rural Arterial Passenger-Miles	Jan	36.4 billion	-7.9	8.1	8.1
Rail Passenger Traffic(7)					
Amtrak Passenger-Miles	Jan	443.7 million	-8.7	6.7	6.7
Travel Price Index(1982-84=100) (8)	Jan	120.6	1.0	3.4	3.4
U.S. Resident Travel					
Total Person-Trips(9)	Jan	79.5 million	-23.1	5.7	5.7
Vacation Person-Trips(9)	Jan	51.9 million	-26.7	18.0	18.0
Total Person-Nights(10)	Jan	339.6 million	-19.9	4.7	4.7
Vacation Person-Nights(10)	Jan	272.2 million	-23.2	26.6	26.6
Public Use of National Parks(11)					
Visits	Jan	11,180,529	3.0	14.6	14.6
Overnight Stays	Jan	373,526	10.2	-1.6	-1.6
Foreign Arrivals in the U.S.					
From Overseas(12)	Nov	854,643	-19.4	12.6	21.0
	Dec	919,002	7.5	7.2	19.9
From Canada(13)	Jan	897,567	11.4	14.3	14.3
From Mexico(12)	Nov	76,962	-14.3	28.6	14.2
	Dec	113,762	47.8	44.8	16.9
U.S. Citizen Departures					
To Overseas(12)	Oct	1,195,433	-3.4	13.8	6.4
	Nov	1,042,407	-12.8	13.0	6.9
	Dec	1,178,482	13.1	-5.3	5.8
To Canada(13)	Jan	399,341	-30.6	-4.6	-4.6
Domestic Demand for Motor Gasoline(14)					
Barrels per Day	Jan	6,732 thousand	-8.3	0.8	0.8

(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted, 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary, revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US Travel Data Center. (10) US Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 1% arrivals only. (13) Statistics Canada. (14) Preliminary; Source: U.S. Department of Energy.

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